

Communications
Workers of America
AFL-CIO, CLC

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202/434-1100



September 26, 2007

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Dear Ms. Dortch:

RE: Ex Parte Notice. WC Docket No. 07-22. In the Matter of Application Filed for the Transfer of Certain Spectrum Licenses and Section 214 Authorizations in the States of Maine, New Hampshire and Vermont from Verizon Communications Inc. and its Subsidiaries to FairPoint Communications, Inc.

Larry Cohen, President of the Communications Workers of America, had phone conversations with Commission Adelstein and Chairman Martin on September 7 regarding the aforementioned proceeding.

President Cohen expressed CWA's concerns that the public interest harms of the proposed sale of Verizon's Maine, New Hampshire and Vermont operations to FairPoint would overwhelm any supposed benefits. He urged the Commission to conduct an extensive review and wait to make a decision until after the regulatory agencies in Maine, New Hampshire and Vermont have completed their proceedings. He noted that there is a significant amount of important but proprietary information that has been uncovered in the state proceedings.

President Cohen also raised issues about the role of the Reverse Morris Trust tax loophole in the transaction. By choosing tiny FairPoint Verizon was able to qualify for this loophole and avoid an estimated \$600 million in taxes. Verizon apparently chose to avoid taxes by selling to FairPoint – with all the attendant risks mentioned in our previous filings – rather than consider larger companies that would have the capital and operational resources needed to successfully run the Maine-New Hampshire-Vermont operations.

Please direct any questions concerning these matters to me.

Sincerely,

A handwritten signature in black ink that reads "Kenneth R. Peres". The signature is written in a cursive, slightly slanted style.

Kenneth R. Peres, PhD.
Research Economist
Research and Development Department
Communications Workers of America

cc: Thomas Navin
William Dever
Adam Kirschenbaum